

# Financial Statements

(Unaudited - see Notice to Reader)

Kitikmeot Environmental Ltd.

July 31, 2021

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## Notice to Reader

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On the basis of information provided by Management, we have compiled the balance sheet of Kitikmeot Environmental Ltd. as at July 31, 2021 and the statements of loss and retained earnings for the year then ended.

We have not performed an audit or a review engagement in respect of these financial statements and, accordingly, we express no assurance thereon.

Readers are cautioned that these statements may not be appropriate for their purposes.

Edmonton, Canada  
March 31, 2022

*Grant Thornton LLP*

Chartered Professional Accountants

# **Kitikmeot Environmental Ltd.**

## **Statements of Loss and Retained Earnings**

(Unaudited - see Notice to Reader)

Year ended July 31

	2021	2020
Sales	\$ 186,020	\$ 27,180
Cost of sales	<u>185,209</u>	<u>15,890</u>
Gross profit	<u>811</u>	<u>11,290</u>
Expenses		
Amortization	20,803	26,004
Bad debts	115,521	-
Insurance	1,000	220
Interest and bank charges	475	473
Meals and entertainment	-	264
Office and miscellaneous	2,807	-
Professional fees	2,140	2,075
Travel and automotive	<u>-</u>	<u>294</u>
	<u>142,746</u>	<u>29,330</u>
Net loss	<u>\$ (141,935)</u>	<u>\$ (18,040)</u>
Retained earnings, beginning of year	\$ 150,798	\$ 168,838
Net loss	<u>(141,935)</u>	<u>(18,040)</u>
Retained earnings, end of year	<u>\$ 8,863</u>	<u>\$ 150,798</u>

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**Kitikmeot Environmental Ltd.****Balance Sheet**

(Unaudited - see Notice to Reader)

July 31

	2021	2020
<b>Assets</b>		
Current		
Cash	\$ 155,574	\$ 134,980
Receivables	<u>96,151</u>	<u>264,851</u>
	251,725	399,831
Equipment (Note 1)	<u>83,211</u>	<u>104,014</u>
	<u>\$ 334,936</u>	<u>\$ 503,845</u>
<b>Liabilities</b>		
Current		
Payables and accruals	\$ 233,570	\$ 158,815
Unearned revenue	72,703	166,740
Due to related parties (Note 2)	<u>18,800</u>	<u>26,492</u>
	<u>325,073</u>	<u>352,047</u>
<b>Shareholders' equity</b>		
Share capital (Note 3)	1,000	1,000
Retained earnings	<u>8,863</u>	<u>150,798</u>
	<u>9,863</u>	<u>151,798</u>
	<u>\$ 334,936</u>	<u>\$ 503,845</u>

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On behalf of the board

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Director

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# Kitikmeot Environmental Ltd.

## Notes to the Financial Statements

(Unaudited - see Notice to Reader)

July 31, 2021

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1. Equipment			<u>2021</u>	<u>2020</u>
	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net Book Value</u>	<u>Net Book Value</u>
Equipment	<u>\$ 154,108</u>	<u>\$ 70,897</u>	<u>\$ 83,211</u>	<u>\$ 104,014</u>

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2. Due to related parties		<u>2021</u>	<u>2020</u>
Kitnuna Corporation		<u>\$ 9,690</u>	<u>\$ 9,690</u>
KBL Environmental Ltd.		<u>9,110</u>	<u>16,802</u>
		<u>\$ 18,800</u>	<u>\$ 26,492</u>

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3. Share capital	<u>2021</u>	<u>2020</u>
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### Authorized

Unlimited Class A voting common shares

Unlimited Class B non-voting common shares

Unlimited Class C and D non-cumulative redeemable retractable non-voting preferred shares

### Issued

Class A shares	<u>\$ 1,000</u>	<u>\$ 1,000</u>
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